

SAFEGUARDS INFORMATION

June 14, 2006

Enclosure Contains Safeguards Information. When Separated from enclosure, this document is not Safeguards Information.
--

Mr. Christopher M. Crane
President and CNO
Exelon Nuclear
Exelon Generation Company, LLC
200 Exelon Way
Kennett Square, PA 19348

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION - NRC SECURITY INSPECTION
REPORT NOS. 05000277/2006008 AND 05000278/2006008

Dear Mr. Crane:

On May 5, 2006, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Peach Bottom Atomic Power Station. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed report documents the inspection results, which were discussed on May 5, 2006, with Mr. Joe Grimes, Plant Manager, and other members of your staff.

The inspection examined activities conducted under your licenses as they relate to security and compliance with the Commission's rules and regulations and with the conditions of your licenses. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

Warning: Violation of section 147 of the Atomic Energy Act, "Safeguards Information" is subject to civil and criminal penalties	SAFEGUARDS INFORMATION DETERMINATION MADE BY: NAME/TITLE: <u>Raymond K. Lorson, Chief</u> ORGANIZATION: <u>RI/DRS/PSB1</u> BASIS: <u>DG-SG-1: (300) Physical Protection Program</u> SIGNATURE <u>/RA/</u> DATE: <u>06/13/06</u>
--	---

No findings of significance were identified.

SAFEGUARDS INFORMATION

SAFEGUARDS INFORMATION

Mr. C. Crane

2

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system, ADAMS. ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system, ADAMS. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Sincerely,

/RA/

Raymond K. Lorson, Chief
Plant Support Branch 1
Division of Reactor Safety

Docket Nos. 50-277, 50-278
License Nos. DPR-44, DPR-56

Enclosure: NRC Inspection Report Nos. 05000277/2006008 and 05000278/2006008
w/Attachment: Supplemental Information
(CONTAINS SAFEGUARDS INFORMATION (SGI))

cc w/encl; w/SGI

W. Trump, Manager - Nuclear Security
D. Allard, Director, Bureau of Radiation Protection State of PA
G. Aburn, Maryland Department of the Environment

SAFEGUARDS INFORMATION

SAFEGUARDS INFORMATION

Mr. C. Crane

3

cc w/o encl w/o SGI:

Site Vice President, Peach Bottom Atomic Power Station
Plant Manager, Peach Bottom Atomic Power Station
Regulatory Assurance Manager - Peach Bottom
Associate General Counsel, Exelon Generation Company
Manager, Financial Control & Co-Owner Affairs
Manager Licensing, PBAPS
Director, Nuclear Training
Correspondence Control Desk
R. McLean, Power Plant and Environmental Review Division (MD)
T. Snyder, Director, Air and Radiation Management Administration,
Maryland Department of the Environment (SLO, MD)
Public Service Commission of Maryland, Engineering Division
Board of Supervisors, Peach Bottom Township
B. Ruth, Council Administrator of Harford County Council
Mr. & Mrs. Dennis Hiebert, Peach Bottom Alliance
TMI - Alert (TMIA)
J. Johnsrud, National Energy Committee, Sierra Club
Mr. & Mrs. Kip Adams
Vice President, Licensing and Regulatory Affairs
Vice President, Operations Mid-Atlantic
Senior Vice President, Nuclear Services
Director, Licensing and Regulatory Affairs
J. Fewell, Assistant General Counsel

SAFEGUARDS INFORMATION

SAFEGUARDS INFORMATION

Mr. C. Crane

4

Distribution w/o encl w/o SGI:

S. Collins, RA
M. Dapas, DRA
J. Trapp, DRP
C. Khan, DRP
D. Schroeder, DRP - NRC Resident Inspector
S. Schmitt, DRP - NRC Resident OA
B. Sosa, RI OEDO
R. Guzman, NRR
J. Kim, PM, NRR (Back up)
A. Blough, DRS
M. Gamberoni, DRS
R. Lorson, DRS

Distribution w/encl w/SGI:

A. Dimitriadis, DRS
D. Caron, DRS
G. Smith, DRS
F. Bower - Senior Resident Inspector
B. Westreich, NSIR

SUNSI Review Complete: ___RKL___ (Reviewer's Initials)

DOCUMENT NAME: C:\MyFiles\Copies\Peach BI SGI Report 5-5-06 Rev1woSGI.wpd

After declaring this document "An Official Agency Record" it **will** be released to the Public.

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	RI/DRS		RI/DRS	C	RI/DRS		RI/DRS			
NAME	ADimitriadis (AXD)		DCaron (DCC)		GSmith (GCS)		RLorson (RKL)			
DATE	05/11/06		05/11/06		06/14/06		06/14/06			

OFFICIAL RECORD COPY

SAFEGUARDS INFORMATION